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**For Immediate Release:**

**UNEMPLOYMENT RATE DECLINES TO 5.3%**

(HELENA) --- Montana's unemployment rate fell to 5.3% in July, down 0.1 percentage point from June. The national rate declined by 0.2 percentage points to 7.4%. Montana's unemployment rate remains a full two percentage points below the national average.

"Montana's unemployment rate is continuing its downward trend, as employers continue to feel more confident in our economy", said Labor Commissioner Pam Bucy. "Despite job growth being slower than last year, our economy is gaining ground and getting stronger every day."

Payroll employment added roughly 900 jobs in July. The Leisure and Hospitality sector has posted job gains during the last few months; construction employment remains fairly stable and government employment continues to decline. Construction employment has not yet fully recovered since the recession, although other indicators suggest a strengthening of the national housing market. Total employment estimates, which include payroll employment plus the self-employed, indicate a small employment decline of 700 jobs.

The decline in the unemployment rate was primarily the result of nearly 1,000 Montanans leaving the labor force, bringing the labor force participation rate to 63.6%. The labor force includes those that are working or looking for work. Labor force participation rates in both the U.S. and Montana declined during the recession as workers responded to a poor employment situation. During the recovery, the U.S. participation rate has continued to decline, but Montana's labor force participation rate has been on an upswing since 2011 as workers responded to positive job growth. In 2013, however, the trend has reversed, with Montanans leaving the labor force. There are multiple reasons why workers may choose to leave the labor force, including retirements, family responsibilities, obtaining schooling, insufficient job opportunities, or low wages.

Inflation levels remain fairly low. The Consumer Price Index for All Urban Consumers (CPI-U) increased by 0.2% in July. Core inflation, measured by the all items less food and energy index, rose by 0.2%.

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*\*\* Unemployment figures are seasonally-adjusted. Seasonally-adjusted numbers remove the effects of events that follow a more or less regular month-to-month pattern each year. These adjustments make nonseasonal patterns easier to identify. The margin of error*

*for the unemployment rate is plus or minus 0.8 percentage points at the 90 percent confidence level. All questions relating to the calculation of unemployment rates should be directed to the Montana Department of Labor and Industry's Research and Analysis Bureau at 1-800-541-3904.*

**The next Labor Situation Report will be released on Friday, September 20, 2013.**

**\*\*\*\*\* INFORMATION AVAILABLE ON THE INTERNET \*\*\*\*\***



Visit our website at [www.lmi.mt.gov](http://www.lmi.mt.gov) for additional information and analysis, including industry employment levels, background on the unemployment rate, and annual employment data for Montana's Indian Reservations. **Where and what does Montana export? Find out in this month's Economy at a Glance article.** County unemployment rates and employment levels are not seasonally adjusted and should be compared to the unadjusted statewide unemployment rate of **4.8%**. County labor force information can be found by using this link:

<http://www.ourfactsyourfuture.org/cgi/databrowsing/?PAGEID=4&SUBID=205>.